

**Vermont Health Access
Pharmacy Benefit Management Program**

April, May and June 2008

**Quarterly Report to
Health Access Oversight
Committee**

Q4 SFY 2008

Cynthia D. LaWare, Secretary
Agency of Human Service

Joshua N. Slen, Director
Office of Vermont Health Access

Pharmacy Benefit Management Program

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The Agency of Human Services, Office of Vermont Health Access (OVHA), is pleased to provide the quarterly report to the Health Access Oversight Committee as required by Act 127 approved in 2002 and found in 33 V.S.A. Chapter 19 § 2001. This report covers the activities of the Pharmacy Benefits Manager (PBM) for the fourth quarter of State Fiscal Year 2008.

The three requirements are set out in bold italics. The OVHA's response follows each requirement.

§2001 (c) (1) "The director of the office of Vermont health access shall report quarterly to the health access oversight committee concerning the following aspects of the pharmacy best practices and cost control program:

(1) the efforts undertaken to educate health care providers about the preferred drug list and the program's utilization review procedures;"

During this quarter, the following educational mailings were sent to pharmacy providers:

- **May 13, 2008:** Pharmacy Alert – Notification of change in how OVHA processes Part D secondary claims for members with 100% Low-Income Subsidy.
- **May 21, 2008:** Pharmacy Alert (fax blast) – Second reminder to pharmacies that the deadline for prescribers to have National Provider Identification (NPI) numbers would be May 23, 2008. Notification included websites and instructions for pharmacies to find prescriber NPIs.

In addition, revised Preferred Drug Lists and Clinical Criteria manuals were posted to the OVHA pharmacy website for April, May and June 2008.

In an attempt to make all documents available to interested parties, the department maintains a web page with information related to the Pharmacy Benefits Management Program at:

<http://ovha.vermont.gov/for-providers>.

“(2) the number of prior authorization requests made;”

Clinical Prior Authorization Requests					
	Requests	Approved	Change in Therapy	Denied	Fair Hearing Status
April	1,363	1,039	157	167	1 Withdrawn
May	1,445	1,144	140	161	1 Pending
June	1,403	1,068	136	199	1 Withdrawn
Total	4,211	3,251	433	527	3

Quantity Limit Prior Authorization Requests					
	Requests	Approved	Change in Therapy	Denied	Fair Hearing Status
April	132	112	14	6	0
May	121	98	15	8	0
June	116	98	15	3	0
Total	369	308	44	17	0

Combined Clinical and Quantity Limit Prior Authorization Requests					
	Requests	Approved	Change in Therapy	Denied	Fair Hearing Status
April	1,495	1,151	171	173	1 Withdrawn
May	1,566	1,242	155	169	1 Pending
June	1,519	1,166	151	202	1 Withdrawn
Total	4,580	3,559	477	544	3

Data in the table above show that the OVHA received a total of 4,211 requests for **clinical prior authorizations (PA)** during the fourth quarter of State Fiscal Year 2008 (April, May and June 2008). This represents a 7.94% decrease in the total number of clinical prior authorization received during the previous quarter (4,574), and a 2.09% decrease from one year ago, Q4 SFY 2007, when total clinical PA requests were 4,301.

OVHA received a total of 369 requests for **quantity limit prior authorizations** during the fourth quarter of State Fiscal Year 2008 (April, May and June 2008), a 13.58% decrease in the total number of quantity limit prior authorization requests received during the previous quarter (427). This is the third quarter that the OVHA has reported quantity limit prior authorization (PA) requests, so a year-to-year comparison is not available.

“(3) the number of utilization review events (other than prior authorization requests).”

	April	May	June	Q4	Percentage of Total
Drug-Age Precaution	24	33	30	87	0.03%
Drug-Disease Precaution	2,949	3,170	3,090	9209	3.28%
Drug-Drug Interaction	21,401	21,925	22,340	65666	23.40%
Ingredient Duplication	8,130	8,553	8,346	25029	8.92%
Refill Too Soon	3,705	3,746	3,782	11233	4.00%
Therapeutic Duplication	56,542	57,448	55,416	169406	60.37%
Total	92,751	94,875	93,004	280,630	100.00%

During the fourth quarter of SFY 2008, a total of 280,630 utilization events occurred. This was a 6.17% decrease from the previous quarter, in which a total of 299,087 utilization review events occurred. Below is a comparison of the utilization review events for the third and fourth quarters of SFY 2008.

	Q4 SFY 08	Q3 SFY 08	Percent Change:
Drug-Age Precaution	87	80	8.75%
Drug-Disease Precaution	9,209	9,420	-2.24%
Drug-Drug Interaction	65,666	76,090	-13.70%
Ingredient Duplication	25,029	25,920	-3.44%
Refill Too Soon	11,233	12,271	-8.46%
Therapeutic Duplication	169,406	175,306	-3.37%
Total	280,630	299,087	-6.17%